

HOUSE SUMMARY OF SENATE AMENDMENTS**HB 393****2017 Regular Session****Connick**

INSURANCE/POLICIES: Provides for the elimination of contents coverage on residential properties following a declared disaster

Synopsis of Senate Amendments

1. Allows the disaster area to be declared by either the governor or the president of the United States.
2. Clarifies that the policyholder may not exercise the option to delete personal property coverage after the passage of 24 months from the disaster declaration.

Digest of Bill as Finally Passed by Senate

Present law allowed homeowners to exclude personal property coverage in the gubernatorially declared disaster areas for Hurricanes Katrina and Rita on structures that had been rendered uninhabitable due to sustaining extensive damage to more than 50% of the dwelling area, and receive a reduction in premium.

Proposed law removes references to Hurricanes Katrina and Rita, and allows a homeowner to exclude personal property coverage in a disaster area declared by the governor or the president of the United States or any officer acting under presidential authority when a structure has been rendered uninhabitable due to sustaining extensive damage to more than 50% of the dwelling area, and receive a reduction in premium.

Proposed law requires the policyholder to exercise the option to exclude personal property coverage within 24 months from the disaster declaration.

Proposed law allows the insurer to terminate the exclusion when one of the following has occurred:

- (1) The structure has been repaired and become habitable again.
- (2) The homeowner's policy has been terminated.
- (3) Twenty-four months have passed from the effective date of the substitute policy or exclusion of coverage.

Effective January 1, 2018.

(Amends R.S. 22:1331)